

**Minutes of a Regular Session of the Common Council of the Town of Clarkdale  
Held on Tuesday, August 13, 2019**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, August 13, 2019, at 6:00 P.M. in the Clark Memorial Clubhouse, Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

**CALL TO ORDER – Meeting was called to order at 6:00 P.M. by Mayor Von Gausig.**

**Town Council:**

Mayor Doug Von Gausig  
Vice Mayor Richard Dehnert  
Councilmember Scott Buckley

Councilmember Bill Regner  
Councilmember Debbie Hunseder

**Town Staff:**

Town Manager Tracie Hlavinka  
Utilities/Public Works Director Maher Hazine  
Finance Manager Kathy Cwiok  
Finance Technician Brittany Earles  
Planning Manager Beth Escobar  
Police Chief Randy Taylor  
Town Clerk Mary Ellen Dunn

**PUBLIC COMMENT** – The Town Council invites the public to provide comments at this time. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes.

**Adrienne Haney, Clarkdale resident – commented on the street lights on Mountain Gate Drive and was referred to Public Works Director for assistance**

**REPORTS**

**Current Events** – A brief summary of current events. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary.

**Mayor Von Gausig's Report –**

- 07/10/19 – Met with Councilmember Regner and Verde Canyon Railroad Manager Bradley Crabdree to talk about kayaks, hikers and bicycles on the train; Mayor came up with eight possible kayaking sites
- 07/25/19 – Met with Bill Snyder, Clarkdale resident and business owner
  - Met with Darla DeVille (APS)
- 07/31/19 – Chaired the Municipal Property Corporation Annual Meeting (MPC)

- 08/06/19 – Attended National Night Out
- 08/07/19 – Met with NACOG representatives at meeting; ADOT presented information regarding drones
- 08/13/19 – Attended Verde Front Leadership quarterly meeting
- Mayor Von Gausig paid tribute to John O'Donnell, former Clarkdale councilmember, Mingus Union High School teacher and track coach, environmental advocate, who passed away on July 22<sup>nd</sup>.
- ADEQ asked Mayor Von Gausig to report on e.coli levels in the River. The Verde River Institute ran several tests before and after heavy usage and found no correlation between river activity and e.coli levels.
- Visited Durango's White Water Park and stated it is a major economic driver for the community. Has discussed ideas with Freeport regarding possibility of developing the area where the diversion dam was for some sort of recreational use. Freeport is considering.

Vice-Mayor Dehnert's Report –

- 07/19/19 – Attended NAMWUA meeting
- 07/26/19 – Attended Downtown Block Party
- 08/03/19 – Attended and MC'd Concert in the Park (Cadillac Angels) and reminded concert-goers to keep their animals on a leash and under control to keep everyone safe.
- 08/06 - 09/19 – Attended Rural Policy Forum in Springerville with focuses on small towns and how they can promote economic development and improve quality of life.
- 08/13/19 – Attended first meeting of the Board of Directors with Spectrum Health Care
  - Toured proposed APS Substation

Councilmember Regner's Report –

- 07/10/19 – Met with Mayor and Bradley Crabdree with Verde Canyon Railroad regarding carrying kayaks and hikers on the train
- Attended two Concerts in the Park, one Block Party, met with Clarkdale Historical Society and Museum (CHSM) members to discuss historic preservation in Clarkdale, CHSM volunteer recruitment and orientation, and made a pitch to the audience for volunteers
- Attended National Night Out
- Met with NACOG Executive Director, Chris Fetzer, in Flagstaff regarding TPAC questions; Regner was invited to attend Rural Transportation Summit in Tucson
- Attended VVTPO meeting

Councilmember Buckley's Report –

- 07/26/19 – Attended Downtown Block Party
- 07/29/19 – Attended Sedona Culinary Institute at Yavapai College and sits on the Advisory

## Board there

- 07/31/19 – Met with town staff regarding Verde River Days – all three outfitters will be donating time and equipment
- 08/06/19 – Attended National Night Out
  - Attended Downtown Business Alliance meeting

## Councilmember Hunseder's Report –

- 07/16/19 – Attended APS Substation Open House
- 07/20/19 – Attended Concert in the Park
- 07/26/19 – Attended Downtown Block Party
- 08/03/19 – Attended Concert in the Park
- 08/06/19 – Attended National Night Out
  - Attended Downtown Business Alliance meeting
- 08/12/19 – Attended meeting with CHSM representatives

## Town Manager Hlavinka's Report –

- 07/26/19 – Conducted interviews for an Interim Planner
- 08/01/19 – Went on a ride out with Building Official Paul Grasso
  - Met with Freeport to discuss United Verde Soil Program
- 08/02/19 – Met with Supervisor Randy Garrison
- 08/05/19 – Conducted interviews for Human Resources Manager
- 08/06/19 – Met with Dean James Perey from Yavapai College
  - Attended VVREO meeting
  - Attended National Night Out
- 08/07/19 – Met with Freeport and USA Environmental regarding Soil Remediation

**Organizational Reports – Reports regarding regional organizations.**CAT – Cottonwood Area Transit (Councilmember Buckley)

- No report

VVTPO – Verde Valley Transportation Planning Organization. (Councilmember Regner)

- 07/24/19 meeting
  - Yavapai County update: Verde Connect program route identification
  - Camp Verde: Sports complex, rodeo grounds development, RV park
- Clarkdale: Public Works Director Hazine reported on Broadway Overlay Project and Broadway/Bitter Creek Bridge widening funding
- Cottonwood: Mingus Avenue repaving, Circle K gas station and store; Main Street re-striping, narrowing lanes, adding bike paths and turn lanes
- Verde Valley Fire District: New fire station
- Coconino National Forest: Reported there is a new Interim Ranger

- NACOG: I-17 improvements; State won \$90 million highway grant toward a \$320 million project to add lanes between Anthem and Sunset Point
  - Yavapai Passenger Transportation Study taking place in Yavapai County regarding public transportation
  - HURF Exchange projects
  - Highway Safety Improvement Program

NACOG - Northern Arizona Council of Governments. (Vice Mayor Dehnert)

- No report

VVREO-LRSPC – Verde Valley Regional Economic Organization’s Long Range Strategic Planning Committee (Councilmember Hunseder)

- No report

TPAC – Transportation Policy Advisory Council. (Councilmember Regner)

- No report

NAMWUA - Northern Arizona Municipal Water Users Association. (Councilmember Buckley)

- Accepted recommendation from the Technical Advisory Committee
- Elected new Executive Committee that is the same as last year

**CONSENT AGENDA** - The consent agenda portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items are approved with one motion. Any items may be removed for discussion at the request of any Council Member.

- A. Approval of Minutes of the Common Council** - Approval of the minutes of the Regular Meeting held July 9, 2019 and Special Meeting July 23, 2019.
- B. Claims** - List of specific expenditures made by the Town during the previous month. July, 2019 check log and PPEs dated July 1, 6, 8, 20 and 22, 2019.
- C. Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month’s Board and Commission Meetings.
  - Design Review Board Notice of Cancellation of meeting July 3, 2019
  - Planning Commission Notice of Cancellation of meeting July 16, 2019
  - Parks and Recreation Commission Notice of Cancellation of meeting July 10, 2019
  - Municipal Property Corporation Board meeting minutes of meeting held July 31, 2019

**Action: Approve Consent Agenda items A – C as presented.**

**Motion: Vice Mayor Dehnert**

**Second: Councilmember Buckley****Vote:**

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

**NEW BUSINESS**

**PRESENTATION ON SMITHSONIAN INSTITUTE MUSEUM** – A presentation on the Smithsonian Institute Museum’s Main Street Waterways Exhibit.

The Arizona tour of *Water/Ways*, is a traveling exhibition from the Smithsonian Institution that “dives into Arizona water”. The Smithsonian has partnered with Arizona Humanities, Walton Sustainability Solutions Initiatives, and the School of Historical, Philosophical and Religious Studies at Arizona State University to bring the exhibit to Arizona. *Water/Ways* will tour 12 Arizona rural communities starting in June 2018 and will conclude in March 2020.

The national exhibit comes to the Verde Valley August 24 – October 6, 2019, hosted at the Camp Verde Community Library. The exhibit will be paired with local events developed to extend the national exhibit with Arizona water information specific to our community.

Kathy Hellman, Director of Library Services in Camp Verde, will present more information to Council on this national exhibit.

**This is a presentation only. No Council action is required.**

**PUBLIC HEARING REGARDING THE APS SUBSTATION** - A public hearing regarding applicant’s zone change request from R1-Single Family Residential to C-Commercial and conditional use permit request to allow for the installation of an APS electrical substation.

Arizona Public Service (APS) is requesting a zone change and conditional use permit to install an electric power substation at 1591 SR 89A (Assessor’s Parcel Number 406-27-053B). The subject parcel is approximately 2.29 acres and owned by APS.

Substations are part of the electrical distribution system. A typical substation receives high voltage electricity from a power plant through transmission lines. This is converted to low voltage levels through transformer equipment and distributed to the consumer.

SR 89A is a state highway under the jurisdiction of the Arizona Department of Transportation (ADOT). It is the only connection from the Verde Valley into Jerome.

On initial erroneous advice from the Town, APS pursued a site plan review through the Design Review Board. Upon reflection and community feedback, that approach was reconsidered. Once a clear direction on the approach needed to review and approve the substation was established including the requirement for

a zone change plus a conditional use permit, the Town and APS have followed the Town Zoning Code taking the following steps in considering this project:

## SUMMARY OF PROCESSES TO DATE

DATE	DESCRIPTION	RESOLUTION
5-1-19	Design Review Board meeting for design/site plan review	Application tabled pending review of the zone change and conditional use permit application
5-21-19	Planning Commission Site Visit	A tour of the proposed site was conducted with Planning Commissioners and staff
5-21-19	Planning Commission Agenda Item 7a. Public Hearing plus Item 7b. Discussion/Possible Action regarding the Zone Change and CUP Application	PC tabled Item 7b. with requests for the following additional information: <ol style="list-style-type: none"> <li>1. Consistency with the General Plan</li> <li>2. Zoning history of the highway corridor</li> <li>3. Guidance RE the setting of precedence with this decision, and</li> <li>4. Impact on the neighbor's view.</li> </ol>
6-18-19	Planning Commission Agenda Item 7 Discussion/Possible Action regarding the Zone Change and CUP Application	PC moved the application forward to Town Council with a recommendation of approval for the Zone Change/Conditional Use Permit request stating that working infrastructure is required to be harmony with the overall objectives of the General Plan. The Application was approved for Council review with a list of stipulations (See the list of stipulations below.)
7-16-19	APS Open House	APS conducted an open house to receive feedback from the citizens. In addition to APS and Town Staff, approximately 15 members of the public attended.
7-23-19	Town Council Work Session	Staff and APS presented the history of the project and the overall technical details underlying the project. This presentation was for information only.

**Public Participation**

In keeping with the standard practice in Community Development, parcel owners within 1000' of the subject property received notices regarding one Public Hearing at DRB and two Public Hearings with Planning Commission. APS sent notices to 2,500 customers regarding the APS Open House. In addition, the parcel was posted in compliance with Town Zoning Code. Public comments from these meetings were distributed to Council at the July 23, 2019 work session.

**Zoning Designation**

The subject parcel is currently zoned R1-Single Family Residential. Electric substations are not a permitted use in this zoning district. When staff originally met with APS regarding this project, APS was misinformed that electric substations are a permitted use in this zoning district but would need to receive site plan and design approval from the Design Review Board.

However, substations are specifically excluded in the R1 zoning district. APS was immediately notified when this error was uncovered. Due to the fact the Design Review Board meeting was already posted, this meeting went ahead as scheduled.

Substations are not listed as a permitted use in any of the Town's zoning districts. A public utility is listed as a conditional use only in the C-Commercial Zoning District. (§3-10.C.9 Town of Clarkdale Zoning Code)

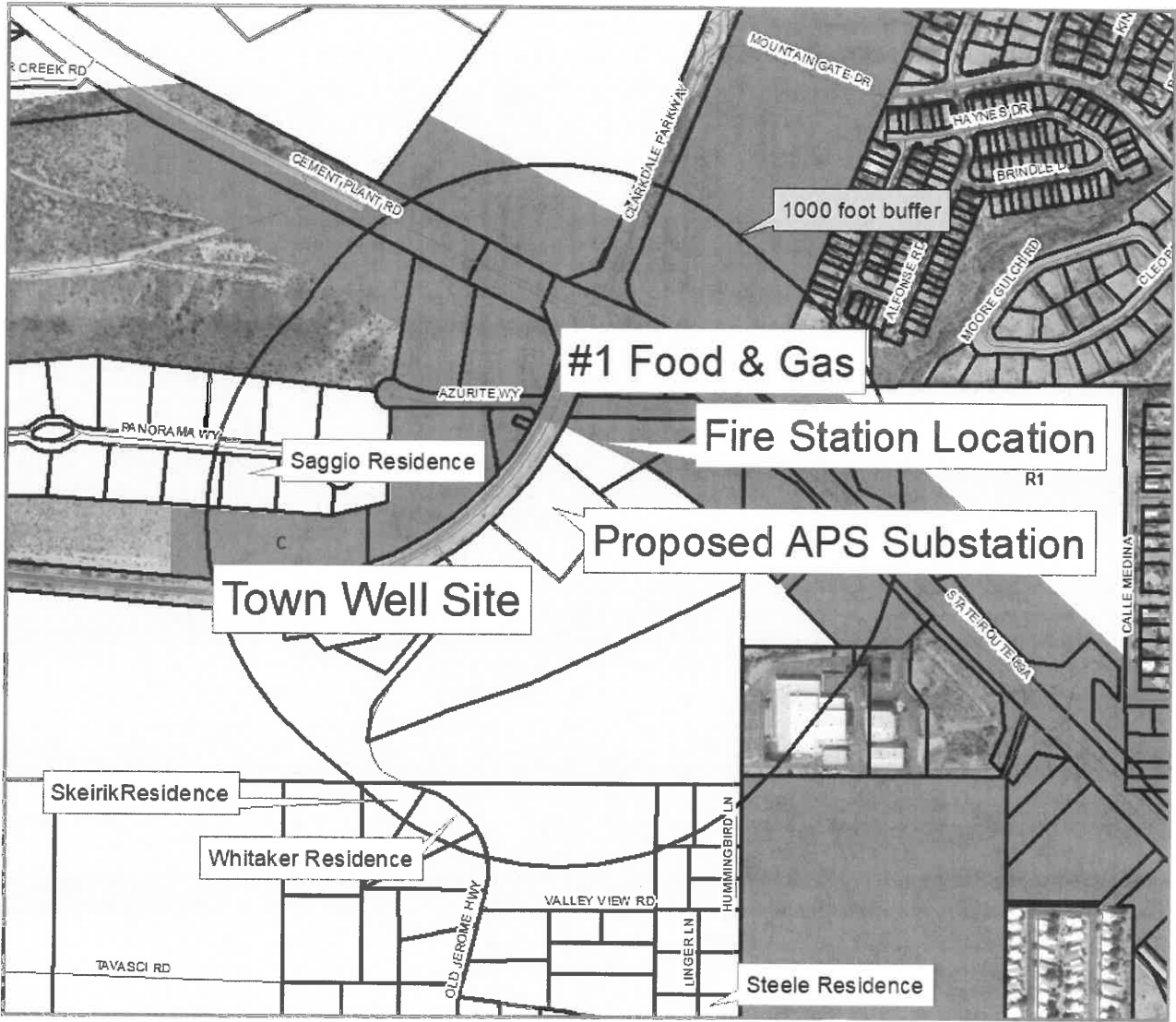
The current parcel is zoned R1-Single Family Residential. The R1 zoning would allow approximately nine new single family homes to be constructed on this site.

The subject parcel was divided from APN 406-27-053C. The subdivided parcel was subsequently sold to APS.

The remaining 11.19 acre parcel is also zoned R1. Under current zoning, this parcel could be subdivided into lots for approximately 48 new, single-family homes.

**Zone Change – Conditional Use Permit request**

APS is requesting a zone change to Commercial and a Conditional Use Permit to allow for installation of the substation as part of their public utility infrastructure.



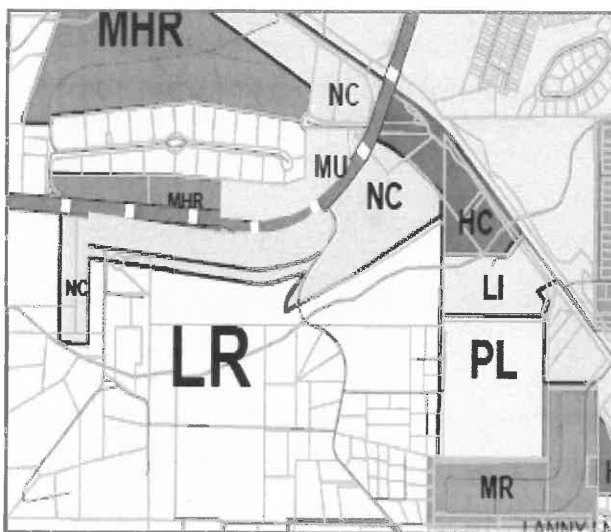


**Community Impact:**

The project narrative for the substation the project will serve to meet the future the community and improve reliability continuity of services to the surrounding will work in conjunction with the existing substations in Cottonwood and Cornville. substation in Clarkdale will provide redundancy for the existing system and ability to address growth in the area.

Once the landscaping is established, use at the facility will be negligible.

After construction is complete, vehicle to the site will also be minimal.



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If the application is approved by Town Council, the building permit will be reviewed for safety and hazard mitigation by both the Town of Clarkdale Chief Building Official and the Verde Valley Fire District Fire Marshal.

A major concern expressed by the public is the visual impact of the substation located along the entry corridor to Clarkdale. APS hosted a community meeting on Tuesday, July 16<sup>th</sup> to garner input regarding the design aesthetics of the project. A summary of this discussion was presented to Council by APS at the July 23, 2019 work session.

Final details regarding design and site plan will proceed to the Design Review Board for review and approval should Council approve the zone change and conditional use permit.

**Reviewing Agencies**

The Zone Change and CUP application was sent to the following agencies for review:

Yavapai County Flood Control District	No concerns
Clarkdale Public Works Utilities Department	No concerns
Verde Valley Fire District	No concerns
Clarkdale Police Department	No concerns
Clarkdale Building Official	No concerns

ADOT commented during the design review/site plan review process they would prefer a joint access be developed for both the fire station and the proposed APS substation. Both Verde Valley Fire District and APS have agreed to a joint access and during the May 1<sup>st</sup> DRB meeting the APS representative stated they will be designing and constructing a joint access.

**ZONE CHANGE REQUEST CONSIDERATIONS**

Per Section 13-020.F of the Town Zoning Code, an application for an amendment to current zoning must conform with the following considerations:

1. The amendment conforms to the Clarkdale General Plan, specifically the Land Use Element.



The General Plan designates this property as NC (Neighborhood Commercial). This classification is intended for commercial retail and service businesses.

*“NC (Neighborhood Commercial) This classification is intended for commercial retail and service needs that provide the surrounding neighborhoods and residents of Clarkdale with their basic day-to-day needs. This classification is characterized by various retail outlets, offices and restaurants. Such uses include adequate off-street parking, landscaping and generally-improved site development.”* Clarkdale General Plan, Chapter 2 Land Use, (pg. 35)

The General Plan also emphasizes the need for infrastructure, such a reliable electric services as follows:

1. Provide adequate infrastructure for a growing community. (pg. 15)
2. The south side of SR 89A is one of five growth areas. (pg. 99)
3. Promote infrastructure is an objective of the growth area. (pg. 100)
4. Lack of infrastructure is an impediment to growth. (pg. 99)

The General Plan for the Town of Clarkdale provides that the area where the electrical substation is proposed includes all of the uses listed in the Neighborhood Commercial Zoning District. These Neighborhood Commercial uses all require reliable electrical power, not subject to blackouts or brownouts.

Since this site is under 100 acres, a minor general plan amendment is not required to rezone the property.

2. The amendment refers to the Focus Area Plan, if applicable.

The subject property is not within the boundaries of a Focus Area plan.

3. The proposed development provides buffering to adjacent land uses.

With the proposed construction of the new fire station to the east, the proposed substation will be abutting a commercial use.

The property surrounding the proposed location is zoned for single family residential. There will be an approximately 40 foot buffer of natural vegetation left between the structure walls of the proposed substation and the adjacent property lines.

4. The proposed development mitigates traffic impact.

After construction of the proposed substation is completed, traffic to this site will be minimal.

Based on average traffic estimates for single family residences, the nine homes that could be built on this parcel would generate an additional 90 daily trips onto SR 89A.

5. The proposed development mitigates noise impact to surrounding properties.

Once operational, the proposed substation should have minimal noise generation. As a commercial use, the substation would be subject to the Town Code and Zoning Code requirements regarding noise mitigation.

6. The proposed development will conform to all existing zoning regulations.

Through conditions of approval and building permit requirements, the proposed substation shall conform to all existing zoning regulations.

7. The proposal provides community benefits such as:

- a. Pedestrian connections – There is a popular social trail along the south side of this section of SR 89A that provides pedestrian access from residents in the foothills area to the #1 Food Store and Gas Station. Staff is asking that this social trail be preserved. At the July 23<sup>rd</sup> Council work session, one councilor requested that APS improve and continue to maintain this trail.
  - b. Vehicular connections – By agreeing to design and construct a shared access with the fire station, APS has reduced the access impact to SR 89A.
  - c. Improvement to public right-of-way – Not applicable
  - d. Installation of utility infrastructure – An electric substation qualifies as critical utility infrastructure
  - e. Improvement of public space – Not applicable.
  - f. Protection of open spaces – the proposed 40-foot buffer around the substation structure will preserve approximately one-acre of open space.
8. Funding and installation of all required improvements as specified by the Town shall be the responsibility of the applicant.

No costs will be incurred by the Town in relation to this proposal.

## **CONDITIONAL USE PERMIT CONSIDERATIONS**

Per Section 5-6 of the Zoning Code, all Conditional Use Permits shall meet minimum requirements of all Town ordinances, restrictions, regulations and policies of the Town of Clarkdale: Compliance with same is a condition of the use permit, including but not limited to:

2. Consistency with the General Plan

In Chapter 2 of the 2012 Clarkdale General Plan, the State Route 89A Corridor is listed as a planning sub-area. This includes the section of SR 89A between Clarkdale and Cottonwood as well as the highway section between Jerome and Clarkdale. The plan states:

- The 2002 General Plan anticipates this corridor will become increasingly more attractive for commercial development as similar properties with arterial frontage in the adjacent jurisdictions become filled.<sup>1</sup>
  - Chapter 9-Growth Area of the General Plan endorses well-planned, efficient, cost-effective design including the two following Growing Smarter tenets:
    - Ensure economical infrastructure expansion.
    - Coordinate public infrastructure expansion with private development activity.<sup>2</sup>
  - Additionally, greater utility infrastructure supports the objectives of Chapter 12-Economic Development.
3. Sanitary waste improvements  
Per the applicant, porta potties will be on site during construction only. After the site is established, there will be no need for sanitary waste improvements. (The staging of porta potties was a concern expressed during the Design Review Board public hearing.)
4. Utility Service Improvements  
Additional electric line connections from the existing overhead 69 kV power poles will be constructed to connect to the proposed substation. Two new 69kV power poles are anticipated to be constructed.
5. Parking  
No specific parking requirements apply to an electrical substation. APS may occasionally store vehicles inside of the structure walls.
- Screening of Commercial Uses (#13 of Performance Standards of Commercial Zoning)  
The proposed structure wall and landscaping will serve to screen the actual substation. The location of the substation equipment within the walls will be excavated ten feet below grade. The equipment will be approximately 14 feet in height which means only four feet will be higher than the existing grade.
- The original design of the wall is being amended to address comments from the public at the Design Review Board meeting. The final design of the structure will require approval by the Design Review Board.

## **REQUIRED FINDINGS FOR A CONDITIONAL USE PERMIT** **(Section 5-5 Town Zoning Code):**

### **Town Regulations**

Per Section 5-5 of the Town Zoning Code, the Planning Commission shall make findings on a conditional use permit application based on the following six elements:

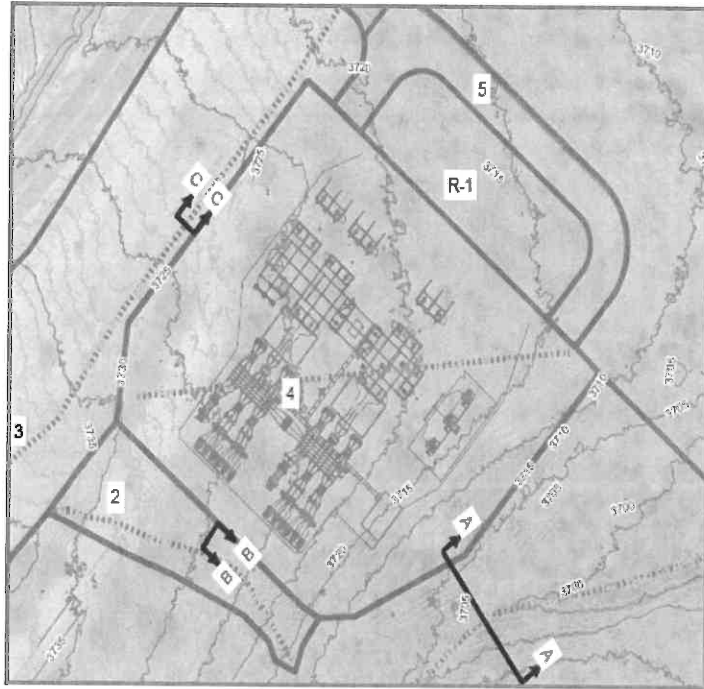
1. **Applicable Regulations:** *Those conditions necessary to assure compatibility of the development of the land in question will be consistent with the purpose of the Zoning Ordinance, Town of Clarkdale General Plan, other statutes and any ordinance or policies that may be applicable.*

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<sup>1</sup> 2012 General Plan, Chapter 2-Land Use, pg. 26

<sup>2</sup> 2012 General Plan, Chapter 9-Growth Area, pg/ 98

**Staff Analysis** – The existing residential zoning along a state highway may not be the best use of this property. The opposite side of the highway is zoned commercial. The adjacent parcel to the east has zoning with R1- Single Residential and Commercial, however, the construction on of a new fire station for Verde Fire will establish a commercial use on this property. The Town's well also situated along this portion 89A, approximately 500 feet the subject parcel, further embedding the commercial this portion of the highway. In Town Council approved the rezoning of approximately 4.5



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from residential to commercial to allow for the establishment of Arizona Botanical Gardens. The General Plan designation of this area as Neighborhood Commercial is a recognition that this property adjacent to a busy state highway may not be suitable for residential development.

Staff reached out to Yavapai County regarding the previous zoning on this property. We were able to clarify that the annexation of the area west of the Clarkdale Parkway roundabout took place sometime between 1957 and 1969. No previous zoning maps were located for this area. It is probable that during the annexation of this parcel the existing rural residential zoning in Yavapai County was transferred to the R1-Single family residential zoning of the Town.

**Bulk Regulations:** *The site is adequate in size and topography to accommodate proposed use, population density, building height, lot coverage, setbacks, spaces, landscaping, fences and parking. That these elements are compatible with the general character of development in the vicinity of the proposed conditional use and are adequate to properly relate the proposed use with the existing land uses in the vicinity.*

**Staff Analysis** – The 2.29 acre property is sufficient to accommodate the proposed 300 foot by 300 foot structure wall. An approximately 40-foot wide buffer is proposed from the structure wall to the property lines. The actual substation will be located within the structure walls, setback approximately 20 feet on all sides from the exterior wall. The construction site will be excavated and substation equipment will be placed subgrade to minimize the possibility of equipment topping over the perimeter wall.

2. **Performance:** *That the location, design and operation characteristics of the proposed use are such that it will have minimal adverse impact on the livability, public health, safety, welfare, or convenience of persons residing or working in the vicinity, to adjacent property, to the neighborhood or to the public welfare in general in that the facility, once completed should not interfere with the day-to-day operations of the existing businesses.*

**Staff Analysis** - Public health and safety will be examined during the building permit phase. The applicant has stated that no batteries will be stored at this substation. The April 2019 substation fire in Surprise was the result of a battery explosion at a substation. Batteries will not be a component of the proposed Clarkdale substation.

The applicant provided a summary of potential impacts from electric magnetic frequency (EMF) generated by the substation copies of which were distributed at the Public Hearings at Planning Commission and at the Town Council work session.

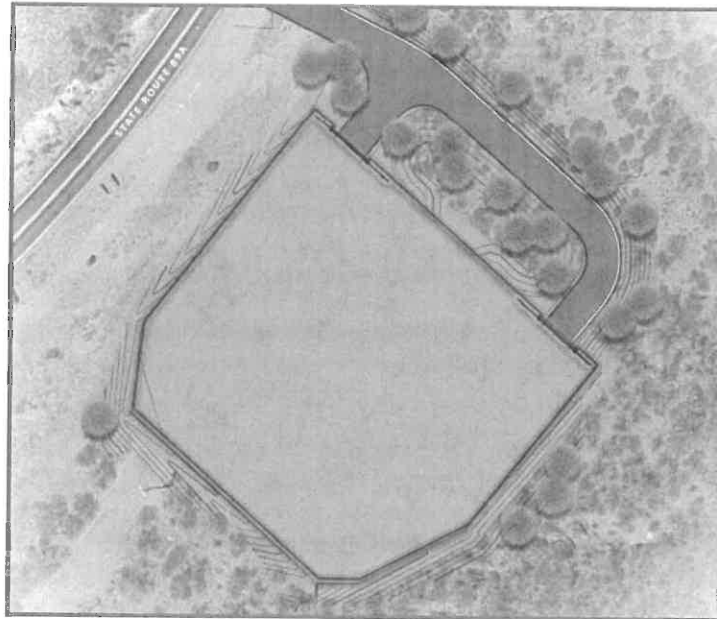
3. **Traffic Impacts:** *The provisions for ingress and egress, public streets and traffic circulation are adequate, or can be upgraded through street improvements as a condition of approval.*

**Staff Analysis** – Because of the minimal traffic generated from a substation post construction, ADOT is not requiring any access improvements along SR 89A for this project. Design of the shared driveway with the Verde Valley Fire District will be finalized during building permit review.

4. **Landscaping:** *Landscaping, and/or fencing of the proposed development, assures that the site development will be compatible with adjoining area and with the intent of Town policies.*

**Staff Analysis** – The proposed landscape plan conforms with the newly adopted Landscape Design Standards. There is an existing gas line that runs between the proposed structure wall and the ADOT right-of-way. Landscaping in this area will include strategically placed boulders.

Per the new code, all trees shall be a minimum of three feet in height at time of planting. APS has expressed a willingness to plant more mature vegetation to provide immediate screening. Landscaping will be around all four sides of the substation.



5. **Nuisance:** *That the proposed use will not create a hazard to persons and property from possible explosion, contamination, fire or flood. That the use will not create a nuisance arising from, but not limited to noise, smoke, odors, dust, vibrations, signage or illumination.*

**Staff Analysis** – APS has stated no hazardous or toxic materials will be stored or used on site. The site will be excavated down at least ten feet. The substation equipment will be placed on a non-porous foundation so no liquid will seep out of the project. Per the project engineer, sound at the site should be minimal. A low hum might be audible at the site during peak electric use hours. Once construction is completed, activity at the site should be minimal. Identified violations of the noise regulations in the Town Code shall be immediately remediated.

### **Zone Change Implications**

The proposed location of the APS substation is adjacent to a busy state highway. APS investigated other possible site locations, specifically commercially zoned property along SR 89A between Cottonwood and Clarkdale and along the Broadway Corridor. This subject property was selected specifically by APS due to the proximity of the existing overhead 69kV lines.

Approval of this zone change is not spot zoning. The general definition of 'spot zoning' is the changing of zoning for one parcel that is different from surrounding properties. The rezoning request for this APS substation does not meet this definition because it is adjacent to a property that will have a commercial use with the construction of the new fire station. It is also across the street from commercial zoning.

The SR 89A corridor between the Clarkdale Parkway roundabout and the Town of Jerome has not been targeted as a specific planning area by the Town, Yavapai County or Jerome. This is a heavily travelled corridor both by residents and visitors. This type of highway connection typically includes nodes of commercial to provide services to residents and those who travel along the way.

### **Site Plan & Design Review Consideration Follows this meeting**

If the zone change and conditional use permit application receives approval, final review and approval of the site plan and design by the Design Review Board will be required. A second public hearing will be scheduled with the Design Review Board if this item receives zone change/conditional use approval. Should the Zone Change and Conditional Use Permit not be approved by Council, the site plan/design review application will be withdrawn.

### **Summary of Staff Analysis**

In staff's opinion, the zone change to Commercial is reasonable considering the location of the property adjacent to a state highway. Installation of utility infrastructure is specifically identified as a community benefit eligible for consideration of a zone change request as listed in Section 13-020.D of the Zoning Code. The proposed substation will provide more reliable service to current customers and the ability to serve future growth. With the recommended conditions, the application is in compliance with the required findings for a Conditional Use Permit.

Staff has determined the Conditional Use Permit application to be complete and in compliance with the required findings of Section 5-050 of the Town of Clarkdale Zoning Code. With the recommended Conditions of Approval, the proposal conforms with the required conditions for approval as outlined in Section 5-060. In staff's opinion this application is eligible for approval.

Community/Economic Development Director Jodie Filardo presented information on this agenda item to Council followed by a presentation from Arizona Public Service.

Councilmember Regner asked about landscaping and water at the site. Ryan Weed, APS, noted there is no water at this site. They will bring a water truck to take care of native plant life.

The following people spoke during public comment:

**Donna Chesler, Clarkdale resident read a statement from Randall Skeirig, also a Clarkdale resident**

**Steve Cheifetz, Clarkdale property owner, Jerome resident**

**Kathryn Ingulli, Clarkdale resident**

**David Leibforth, Clarkdale resident**

**Eileen Sydow, Clarkdale resident**

**Lynda Steele, Clarkdale resident**

**Marlene Whitaker, Clarkdale resident**

**This is a public hearing only and no Council action is required.**

**APS SUBSTATION PERMIT APPLICATION** – Discussion and possible action regarding applicant's zone change request from R1-Single Family Residential to C-Commercial and conditional use permit request to allow for the installation of an APS electrical substation.

Staff has determined the Conditional Use Permit application to be complete and in compliance with the required findings of Section 5-050 of the Town of Clarkdale Zoning Code. With the recommended Conditions of Approval, the proposal conforms with the required conditions for approval as outlined in Section 5-060. In staff's opinion this application is eligible for approval.

**Recommended Stipulations or Conditions of Approval passed forward from Planning Commission:**

1. The Zone Change/Conditional Use Permit is void if a building permit is not issued within one year of approval of this Zone Change/Conditional Use Permit application.
2. The established social foot path parallel to SR 89A and within the ADOT right-of-way shall remain accessible to pedestrian traffic except during construction when it shall be rerouted as much as possible.
3. All portable restrooms shall be removed from the site once construction is completed.
4. All landscaping shall conform with the Landscape Design Standards effective May 10, 2019.
5. Driveway access to the property shall be developed as agreed and in cooperation with the Town of Clarkdale, ADOT and the Verde Valley Fire District. This access shall be designed to be the minimum width necessary to serve the projected traffic of both facilities.
6. The installation shall comply with the Town of Clarkdale Zoning Code 11-040 Section 19 regarding noise. Identified violations of the noise regulations in the Town Code shall be immediately remediated.
7. The Landscape Plan shall be modified to include at least fifty percent non-deciduous species to provide year-round screening of the structure wall. Landscaping will be installed along all four sides of the substation.

Economic/Community Development Director Jodie Filardo presented information on this agenda item to Council. Discussion followed between APS and Council regarding APS providing amenities to the Town and its residents. APS asked what the amenities would be and are willing to work with the Town on those issues. The Fire Station site has requested APS construct the full width driveway that is shared between the two entities. Underground power lines are installed at the municipality's cost or the developer's cost.

**Action: Table the application for the APS Substation zone change and conditional use permit request and direct staff to ask the applicant more questions that remain unanswered for him.**



Motion: Vice Mayor Dehnert

Second: There was no second.

Action: Approve the application for the APS Substation for a zone change to commercial, with a conditional use as a public utility, with conditions, based on the following findings:

1. An electrical substation in this area is needed based on information presented; specifically, that the existing substations are in locations inadequate to supply sufficient electricity to this area of Clarkdale both now and in the future, and surrounding areas have experienced electrical blackouts or brown outs due to a lack of an electrical substation in the area;
2. This location is the best available for the electrical substation due to its proximity to existing high powered electrical lines;
3. The Neighborhood Commercial uses anticipated by the General Plan cannot be constructed in this area without basic infrastructure available;
4. The General Plan specifies "Provide Adequate Infrastructure for Growing Community"; and
5. The rezoning of this parcel to commercial, with a conditional use permit for an electrical substation, is consistent and in harmony with the General Plan.

That the conditions of approval include:

1. That the Applicant excavate the site and build a wall around the substation, so that the equipment is not visible from the adjacent ground level;
2. That the applicant landscape with evergreen trees and other landscaping to make the wall more attractive to the surrounding area;
3. The Zone Change/Conditional Use Permit is void if a building permit is not issued within one year of approval of this Zone Change/Conditional Use Permit application;
4. The established social foot path parallel to SR 89A and within the ADOT right-of-way shall remain accessible to pedestrian traffic except during construction when it shall be rerouted as much as possible;
5. No portable restrooms shall remain on site after construction is completed;
6. All landscaping shall conform with the Landscape Design Standards effective May 10, 2019.
7. Driveway access to the property shall be developed as agreed and in cooperation with the Town of Clarkdale, ADOT and the Verde Valley Fire District. This access shall be designed to be the minimum width necessary to serve projected traffic of both facilities.
8. The installation shall comply with the Town of Clarkdale Zoning Code 11-040 Section 19 regarding noise. Identified violations of the noise regulations in the Town Code shall be immediately remediated.

**9. The Landscape Plan shall be modified to include at least fifty percent non-deciduous species to provide year-round screening of the structure wall.**

**Motion: Councilmember Buckley**

**Second: Councilmember Hunseder**

Discussion followed.

*Councilmember Hunseder* stated it seems like substation would be much less impactful to the environment and the neighborhood than nine new homes. She viewed the substation in Cottonwood that was right next to a house. She said she has never really noticed them in the past. The substation is needed to support the Town's anticipated growth, fuel the economy, to address the deficiency and reliability of the power grid. She stated she hopes that this will be a benefit to the community.

*Vice Mayor Dehnert* stated he feels that zoning needs to mean something and asked about industrial area locations and site study. He stated that one someone buys a home and researches the surrounding zoning designations prior to purchase, they should be able to rely on that.

*Mayor Von Gausig* discussed the optics of the substation in Cottonwood and that he is not sure where it is. Stated that the design is consistent with Town requirements and philosophy and sees it as being less of a problem than more homes. Believes the 12,000 volt service is necessary to our growth. He stated that there are no sellers available in the industrial area and there would be more homes impacted in that area than in the current proposed location.

*Councilmember Regner* stated that APS's statewide activities created a loss of credibility for them and contributed to public's lack of confidence in Council decisions. At the local level, APS is a partner in this community and providing good service is their highest priority. Suggested that our new process should include checking zoning designations for Clarkdale properties. Believes the substation will be a benefit to our Town and entrusts the process of design approval to the Clarkdale boards that oversee these standards.

*Councilmember Buckley* stated that he walks or drives past this area every day and believes the proposed design will not be an eyesore, that the substation will be an asset to the community as well as a necessity for a constant source of power.

**Vote:**

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Nay
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

After a brief recess, Mayor Von Gausig reconvened the meeting.

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA, SETTING FORTH THE VALUATIONS OF PROPERTY IN THE TOWN OF CLARKDALE FOR THE YEAR 2020 ALONG WITH ADOPTING THE TAX LEVY FOR SAID PROPERTY** – Discussion and consideration of Ordinance 399, adopting the tax levy and setting the valuations of property in the Town of Clarkdale for fiscal year 2019-2020.

On July 23, 2019 the Council adopted the Property Tax Levy Resolution and the Fiscal Year 2019-2020 Budget. The Council now needs to adopt the property tax levy for the Town. The levy is placed on each one hundred dollars of assessed value of all property, both real and personal, within the corporate limits of the Town of Clarkdale, except property that the law exempts from taxation.

The tax levy for 2019-2020 is \$1.6150 to raise \$567,790 for primary tax purposes. Clarkdale's valuation as quoted by the Yavapai County Assessor's Office for primary taxes is \$35,157,286. The following are the tax rates and the revenues raised for the last two fiscal years:

<u>FISCAL YEAR</u>	<u>TAX RATE</u>	<u>TAXES</u>
2017-2018	1.6612	\$523,500
2018-2019	1.6455	\$543,838

Finance Manager Kathy Cwiok presented information on this agenda item.

**Action: Approve Ordinance # 399, an Ordinance of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, Arizona, setting forth the valuations of property in the Town of Clarkdale for the year 2019-2020 along with adopting the tax levy for said property.**

**Motion: Councilmember Regner**

**Second: Vice Mayor Dehnert**

**Vote:**

<b>Voting Member</b>	<b>Aye/Nay</b>
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

**PUBLIC HEARING REGARDING PROPOSED INCREASE TO TRASH RATES - A** public hearing to allow for comment regarding a proposed increase to the trash rates.

The Collection Service Agreement between the Town and Patriot Disposal, Inc. was approved by Council on February 26, 2019. At that time the Council accepted the bid from Patriot for residential trash and recycling collection and authorized Public Works-Utilities Director to enter into an agreement. The following reflect the rate changes:

<u>Item</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>
Two Small Containers	\$16.75	\$20.50
Two Large Containers	\$19.25	\$23.00
After Two Containers	\$11.50	\$15.00

As part of the Fee Adoption Process for these fees, a Notice of Intent was posted by the Town Clerk on the Town Website on June 14, 2019 (no less than 60 days prior to the Council Meeting adopting the Fee Resolution). Additionally, the Notice of Intent was placed on our Social Media platforms on July 22<sup>nd</sup>, and published in the newspaper on July 28, 2019. The attached Fee Resolution is the final step for the adoption of these fees and surcharges. The effective date for these proposed rates will be September 14, 2019.

This agenda item is to allow for public comment regarding a proposed increase in the Trash Rates.

Utilities/Public Works Director Maher Hazine presented information on this agenda item.

**Public Hearing only, no action necessary.**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, AMENDING RESOLUTION #1567, SETTING TRASH RATES** – Discussion and possible action regarding Resolution #1608, a Resolution updating the Town Fee Schedule by setting trash rates.

The Collection Service Agreement between the Town and Patriot Disposal, Inc. was approved by Council on February 26, 2019. At that time the Council accepted the bid from Patriot for residential trash and recycling collection and authorized Public Works-Utilities Director to enter into an agreement. The following reflect the rate changes:

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Hazine requested Council's permission to follow the public hearing with the Resolution approving the trash rate increase and the agenda item setting fees and Council agreed.

Mayor Von Gausig stated that having one Resolution with two separate votes and effective dates became problematic so it was decided to separate the resolutions, the first updating the trash rates

effective September 14, 2019 is Resolution #1608 and Resolution #1609 would pertain to the next agenda item, amending the Clarkdale Fee Schedule for credit card surcharges, water, cemetery, engineering and report review fees.

**Action: Approval of Resolution #1608, a Resolution of the Mayor and Common Council of the Town of Clarkdale, Arizona amending Resolution #1567 and Updating Trash Rates effective September 14, 2019.**

**Motion: Councilmember Buckley**

**Second: Councilmember Hunseder**

**Vote:**

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, AMENDING RESOLUTION #1567, SETTING FEES FOR THE TOWN OF CLARKDALE BY CHANGING CREDIT CARD SURCHARGES, WATER, CEMETERY, ENGINEERING, AND REPORT REVIEW FEES - Approval of Resolution #1609, a Resolution updating and amending Clarkdale's Fee Schedule.**

A work session was held at the April 23 Council meeting, which included a presentation for a proposed credit card surcharge for the Town of Clarkdale. During that meeting, Council directed staff to move forward in the process to implement a credit card processing surcharge of 1.5% on all credit card transactions, excluding online transactions. This surcharge will partially offset the estimated \$15,000.00 in credit card processing fees the Town will pay this fiscal year. The proposed surcharge will help to reduce the Town expense to a more reasonable cost of doing business. On May 15, 2019, the Notice of Intent to set a credit card surcharge was submitted to the Town Clerk and posted on the Town website. The Notice of Intent to set Credit Card surcharges was approved by Council on July 9, 2019. A Notice of Intent will be placed in the newspaper on July 28, 2019.

#### **Engineering Fees:**

Historically, the Town of Clarkdale has contracted out the Engineering review when needed. The Developer paid for such costs directly. With the hiring of a Town Engineer, Maher Hazine, the review now is done in-house. However, the Town does not have any Engineering Review fees.

#### **Water System Fees:**

Connection Fees - Currently the connection fees for new construction are based on the size meter needed and do not cover the costs incurred for the meter, piping and fittings. The proposed fees will cover these costs.

Water Service Turn-On Fee – An increase from \$25.00 to \$50.00 is necessary to cover the costs incurred for work completed in the office and in the field for a new account.

Emergency Turn-on/off for Non-Business Hours – the fee increase is to recover costs outside of regular working hours.

Reconnections (Per Disconnection for Non-Payment) – this fee increase is to cover outstanding invoices and reduce bad debt.

### **Cemetery Fees:**

The Valley View Cemetery has been operating in the red for many years due to minimal fees and the practice of collecting all fees when the lot is purchased and the burial takes place years later when costs have increased. This practice has been changed at the request of our auditors. When purchasing a lot, fees are collected for the lot and perpetual care. Opening and closing fees and dome fees are collected at time of burial.

Utilities/Public Works Director Maher Hazine presented this information to Council.

Discussion followed about the wording in the fee schedule with changes made to Water system charges.

**Action: Approval of Resolution #1609, a Resolution of the Mayor and Common Council of the Town of Clarkdale, Arizona amending Resolution #1567, Setting Fees for the Town of Clarkdale, by updating Credit Card Surcharges, Water, Cemetery, Engineering and Report Review Fees.**

**Motion: Councilmember Regner**

**Second: Councilmember Hunseder**

Discussion followed. Councilmember Buckley stated he was not in favor of imposing a credit card surcharge. He feels collecting payments by credit card is the cheapest and easiest method. Finance Manager Cwiok explained the Town's position on the topic stating that we are not paying near the cost for cash and checks as we are for credit cards.

### **Vote:**

<b>Voting Member</b>	<b>Aye/Nay</b>
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

**PUBLIC HEARING REGARDING INCREASING THE GENERAL RATE OF TAXATION FROM 3.00% TO 3.50% AND CONSTRUCTION TAX FROM 4.00% TO**

**4.50%** - A hearing to receive public input regarding the Town of Clarkdale's proposed Sales Tax Increase.

The public hearing is to allow the public a chance to speak in favor, or against the proposed Sales Tax Increase. A work session of the preliminary budget was held at the April 30, 2019 Council meeting, which included the proposed sales tax increase for the Town of Clarkdale. During that meeting, Council directed staff to move forward in the process to increase the Local Sales Tax Rate from 3.00% to 3.50%. Council also directed staff to move forward in the process to increase the Construction Tax Rate from 4.00% to 4.50%.

The Council adopted the Notice of Intent at the July 9 2019 meeting. The Notice of Intent has been posted on the Town's website and was placed in the newspaper on July 28, 2019. The rate change will be effective on November 1, 2019.

The proposed increase will affect the following sections of the Tax Code:

Section IV-405	Advertising
Section IV-410	Amusements, exhibitions and similar activities
Section IV-425	Job Printing
Section IV-427	Manufactured buildings
Section IV-430	Timbering & other extractions
Section IV-435	Publishing & periodicals distribution
Section IV-444	Hotels
Section IV-450	Rental, leasing and licensing for use of tangible personal property
Section IV-455	Restaurants and Bars
Section IV-460	Retail sales:
Section IV-470	Telecommunication services
Section IV-475	Transporting of hire
Section IV-480	Utility services

The proposed rate increase will not affect:

Section IV-445	Rental, leasing and licensing for use of real property
	The voters through the election process must approve any change to Section 445.
Section IV-432	Mining
	Rate set by statute

Council also directed staff to move forward in the process to increase the Construction Tax Rate from 4.00% to 4.50%. The proposed increase will affect the following sections of the Tax Code:

Section IV-415	Contracting Prime
Section IV-416	Contracting- Speculative builders
Section IV-417	Contracting-Owner builder

Mayor Von Gausig opened the discussion to public comments.

**Robyn Prud'homme-Bauer, Clarkdale resident and business owner spoke against the sales (construction) tax increase.**

**This is a Public Hearing only and no action is required.**

**AN ORDINANCE OF THE TOWN OF CLARKDALE, ARIZONA, RELATING TO THE PRIVILEGE AND USE TAX; AMENDING THE TOWN TAX CODE BY INCREASING THE GENERAL RATE OF TAXATION FROM THREE PERCENT (3.00%) TO THREE AND ONE-HALF PERCENT (3.50%); AND BY INCREASING THE RATE OF TAXATION ON CONSTRUCTION ACTIVITIES FROM FOUR PERCENT (4.00%) TO FOUR AND ONE-HALF PERCENT (4.50%); PROVIDING PENALTIES FOR THE VIOLATION THEREOF; PROVIDING FOR SEVERABILITY; DESIGNATING AN EFFECTIVE DATE AND MAKING PROVISION FOR EXISTING CONTRACTS –**  
Discussion and consideration of Ordinance #398, an Ordinance amending the Town Tax Code by increasing the general rate of taxation from 3.00% to 3.50% and the rate of taxation on general construction activities from 4.00% to 4.50%.

Finance Manager Kathy Cwiok presented this ordinance to Council for consideration.

**Approve Ordinance #398, an Ordinance amending the Town Tax Code, by increasing the general rate of taxation from 3.00% to 3.50% and the rate of taxation on general construction activities from 4.00% to 4.50%, providing for severability; designating an effective date of November 1, 2019.**

**Motion: Vice Mayor Dehnert**

**Second: Mayor Von Gausig**

Discussion: Councilmember Buckley stated he disliked this ordinance as a way to raise revenues. Council further debated the issue and discussed different ways to raise revenues.

**Vote:**

<b>Voting Member</b>	<b>Aye/Nay</b>
Council Member Scott Buckley	Nay
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

**VERDE RIVER INSTITUTE REPORT** – An update from the Verde River Institute on projects and issues that relate to the Verde River @ Clarkdale.

The Verde River Institute (VRI) is a 501(c)(3) non-profit organization committed to developing and facilitating the implementation of policies that help to ensure that the Verde River in central Arizona retains flows that will support sustainable, healthy and diverse economies and ecosystems.



VRI also helps policy makers understand the many complex water resource issues in central Arizona. They are committed to finding sustainable solutions for the human and natural worlds that depend on the Verde River to supply their needs. They are guided by the principle that responses to demands in the system should also increase the river community's intellectual, political, social, individual, natural, built and financial capital. According to their website, when this goal is realized, the system becomes robust, dynamic and sustainable.

The Vision of the VRI is: Connecting people and resources to promote a healthy, flowing Verde River and a stronger, greater Verde community.

Their Mission: Provide research and data, funding, policy expertise, education and consulting on diverse Verde River issues.

Clarkdale Mayor Doug Von Gausig serves as the Executive Director of the Verde River Institute. Instead of reporting on Verde River Institute topics during his Mayor's report, staff has suggested having a separate agenda item so that the public is more aware that information relating to the Verde River Institute's work will be presented. Mayor Von Gausig will provide on-going updates and reports on Verde River Institute programs and projects that relate to the Verde River @ Clarkdale as part of this agenda item.

Mayor Von Gausig stated that a lot of tamarisks are dying along the stretch by Brewer's Tunnel Conversion but no consensus on the cause. Pecks Lake down to about 10% open surface water. Since dam breached Freeport has been dumping 250 gallons of water per hour daily directly into the lake and seems to be what it needs to keep the lake full.

**Action: This is a monthly, or as-needed, report and no Council action is required.**

**FUTURE AGENDA ITEMS** - Listing of items to be placed on a future council agenda.

**ADJOURNMENT** – Without objection, Mayor Von Gausig adjourned the meeting at 9:57 p.m.

APPROVED:

  
\_\_\_\_\_  
Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:

  
\_\_\_\_\_  
Mary Ellen Dunn, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Clarkdale, Arizona held on the 13<sup>th</sup> day of August, 2019. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 11<sup>th</sup> day of September, 2019.

SEAL

  
\_\_\_\_\_  
Mary Ellen Dunn, Town Clerk